

**CITY/COUNTY ASSOCIATION OF GOVERNMENTS
LEGISLATIVE COMMITTEE**

**MINUTES
MEETING OF FEBRUARY 8, 2003**

At 8:06 a.m. Chairman Lee Panza in Conference Room C of San Mateo City Hall, called the meeting to order.

Members Attending: Lee Panza, Sue Lempert, Joe Silva, and Marc Hershman, Mike King (C/CAG Chairman), Deborah Wilder (C/CAG Vice-Chair).

Staff/Guests Attending: Walter Martone (C/CAG Staff - County Public Works), Richard Napier (C/CAG Executive Director), and Brian Moura (City of San Carlos).

1. Public comment on items not on the agenda.

None

REGULAR AGENDA

*** Report from C/CAG Lobbyist (Advocation).**

Through a conference call, Wes Lujan and Chuck Cole provided a briefing on the latest news from Sacramento.

- Relative to the two C/CAG proposals they thought it was worthwhile to continue to develop them.
- An alternative was suggested that the backfill could be just the local (city/ County) portion of the VLF and not funds that goes to other agencies.
- On AB 4X VLF the Governor has threatened a veto. Therefore, it is not clear what the next steps will be. Even without AB 4X some feel that the Department of Finance has the authority to pull the trigger.
- The State Treasurer is projecting reduced income tax receipts. Therefore the deficit will likely be increased further.
- There is a proposal being floated to address some of the deficit by adopting a two-year budget. This will enable the State to make more favorable revenue projections in the out year.
- Some groups are attempting to mount a recall effort against the Governor.
- Some of the things that C/CAG could do in support of a budget resolution include:
 - ✓ Continue to send letters in support of the VLF backfill to legislators and the Governor.
 - ✓ Request that Finance Director Steve Peace further develop revenue developing proposals such as a split role tax (such as proposed in SB 17), and a sales (or gross receipts) tax on services and internet sales.

2. Minutes and summary of the meeting of January 4, 2003.

Motion: To approve the minutes and summary as presented. Lempert/Hershman,

unanimous.

3. Recommendation to support efforts to ensure that 100% of the Vehicle License Fee (VLF) backfill allocations to local jurisdictions are maintained.

Discussion under this item included:

- It was noted that both the Democrats and the Republicans in the Assembly and the Senate have been vocal about supporting the backfill funding for local governments. The difference between them is where the money should come from. The Democrats want an increase in the VLF and the Republicans want reductions in other spending. C/CAG should consider supporting some items that may appeal to the Republicans in order to encourage them to work toward a bipartisan solution. Some things C/CAG could support are reductions in the State mandates.
- Local governments need to get their story out to the press – what the VLF pays for and what will be impacted by the cuts. Hopefully this will rally the public to support local governments.
- There should be a Statewide campaign that shows the public how the VLF backfill impacts them as citizens. There should be a heavy emphasis on public safety showing the number of police and firefighter reductions that would be made under the Governor's budget proposal. The League of California Cities, County Supervisors Association of California, and various public safety organizations should be encouraged to spearhead this effort.
- If the Republicans are absolutely opposed to an increase in the VLF, then consideration should be given to only collecting and distributing the local share of the VLF and forfeit the State share of the VLF.

Motion: To approve the staff recommendations as presented. Lempert/Hershman, unanimous.

4. General guidelines for taking positions on legislation.

The Committee discussed ways of ensuring that staff and the C/CAG lobbyist are given enough guidance to accurately represent views and concerns of the C/CAG Board, while also providing flexibility so that positions can be taken and changed on bills quickly as they are reshaped during the legislative process. The follow suggestions were made:

- The topics of legislation that should be followed by staff should also include:
 - ✓ Airport land use.
 - ✓ Pension/wages/benefits/etc. for public employees.
 - ✓ Employee relations for public employees (particularly police and fire).
 - ✓ Public contracting.
 - ✓ Public records.
 - ✓ Matters having significant impacts on local government financing (follow the money).
- Emphasis on tracking bills should be given to those having the most significant financial impact on local governments.
- When there are important legislative things occurring where members of the Committee may need to become involved, an e-mail followed by a phone call should be sent to all

Legislative Committees members.

- Staff was requested to develop suggestions for performance measure to determine the effectiveness of C/CAG's legislative efforts and the use of a lobbyist.

Motion: To approve the staff recommendations as presented. Lempert/Hershman, unanimous.

5. Potential legislative proposals –

- **Department of Motor Vehicle fees (DMV) increases to support Congestion Management and Stormwater Pollution Programs.**
- **Spot bill (potentially to be used to correct a provision in Proposition 218 related to the definition of “sewers.”)**

Staff and the C/CAG Lobbyist have submitted two proposals to the Legislative Counsel's Office in order to create placeholders for potential C/CAG legislation. Meetings have also been held in Sacramento with most of the staffs of the San Mateo County Legislative Delegation to get feedback and advice on these ideas. The reception by these staffs was very encouraging.

Additional suggestions from the Legislative Committee included:

- Consider expanding the range of the DMV fee proposal to include more Bay Area counties. This could broaden support for the bill.
- Discuss the DMV fee proposal with the Metropolitan Transportation Commission and solicit their support.
- Improve the language in the bill relating to the nexus between the stormwater program and the vehicle registration fee.

Motion: To approve the staff recommendations as presented. Lempert/Silva, unanimous.

6. Recommendations for positions on –

- **AB 166 – repeal of State mandates**
- **SB 55 – 2/3 vote required for new State mandates**
- **ACA 7 – sales tax reauthorization (reduction in margin for passage)**
- **AB 218 – Meeting regional housing supply requirements**
- **Not yet introduced – redevelopment in neighboring jurisdictions**
- **AB 53 – ERAF**

AB 166 and SB 55: In general C/CAG should support legislation that will rollback, suspend, or fully fund State mandated local programs. It was noted that local governments may want to implement some of the State mandates even if funding is not provided.

Motion: To support in concept the principles of not forcing local governments to enact programs without providing adequate funding. Panza/King, unanimous.

ACA 7: This bill embodies what C/CAG has already supported with its requested amendments to SCA 2. There will be potential opposition to both of these bills from the Republicans and the Howard Jarvis Taxpayers Association.

Motion: To approve the staff recommendations as presented. Lempert/Silva,

unanimous.

AB 218 and Simitian bill not yet introduced: Both of these bills provide new ways for housing projects to count toward meeting a local government's quota under the regional housing needs requirements. Staff was requested to follow up on:

- Does the expanded definition under AB 218 require the units to have a kitchen and a bath?
- Compare the provisions of these bills with ones that were considered in last year's legislative session.
- Review the provisions of these two bills with local housing specialists and ask for their advice.
- In the Simitian bill we need to ensure that there are no mandates.
- The Committee liked the fact that the Simitian bill allows for regional thinking on housing issues and allows local governments to pool their efforts.
- The Simitian bill should be supported in concept and C/CAG should work with the Assemblyman to develop this bill further. The Committee would like to review the bill again after more specific language has been developed. There also needs to be more protection for local jurisdictions build into the bill.

Motion: To support legislation that expands the definition of housing for the purposes of qualifying specific housing projects to meet regional housing needs. Lempert/Silva, unanimous.

AB 53: This bill is to limit the ERAF contributions of local governments. It is similar to the bill introduced by Assemblyman Simitian last year. It was noted that the school districts are also being negatively impacted by the budget and their contribution to the community is very important to local governments. Where possible we should work together and present a united front. The Committee will consider a position on the bill after further analysis has been done.

7. Summary of bills that may be of interest to C/CAG.

There were no comments on the other bills on the list.

8. ABAG/MTC merger proposal.

Staff reported that ABAG has developed a legislative proposal to merge the functions of ABAG and MTC into a single agency. They are currently seeking a legislator to sponsor the bill. They are very early in the process and have not even secured the approval of the ABAG Executive Committee on this proposal. A similar bill was introduced last year by Senator Torlakson and failed passage. It appears that this new bill is being promoted directly by ABAG staff and not by the Senator. Some issues related to this bill include:

- There are much more serious legislative issues such as the budget and the VLF that C/CAG and other should be spending their time on. A merger of ABAG and MTC is inappropriate to be considered at this time.
- Under the proposal the new board of the merged agency will result in reduced proportional representation for San Mateo County. Current ratio is 2 to 16 and the new ratio will be 4 to 38. With reduced representation it will be difficult to get San Mateo County projects and interests considered by the new agency.

- Santa Clara County has been lobbying to increase its proportionate share of representation. They do not feel that they should be equal with San Francisco considering the fact that they have a larger population. Under a proportional representation scheme based on population, Santa Clara and Alameda Counties will dominate the board.
- A committee of ABAG and MTC representatives was created to consider the merger last year. Sue Lempert and Carol Klatt were members. The committee concluded that the merger should be taken off the table because much more important matters needed attention. The Committee did not have any further meetings.

The Legislative Committee members decided to individually speak with the San Mateo County ABAG representatives (Carol Klatt, Rose Jacobs-Gibson, Don Eaton, and Mark Church) and cover the following:

- Let them know what is going on with this proposal.
- Encourage them to oppose the proposal before it advances further.
- Let them know that this proposal appears to reduce San Mateo County's proportional representation on the Board in favor of increasing the proportional representation of larger counties.
- Let them know that this is the wrong time to be considering such a proposal and it is definitely the wrong way to approach a merger (pushing through legislation without entering into discussions with the effected parties).

9. Adjournment.

At 10:28 a.m. the meeting was adjourned.